

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

The Andhra Pradesh Electricity Duty Act, 1939 - Exemption from payment of Electricity Duty on Captive Generation of Energy for self consumption - Notification- orders issued.

ENERGY (RES-A1) DEPARTMENT

G.O.Ms.No. 25

Dated: 23-05-2013

Read the following:

1. G.O.Ms No.117, Energy (RES)Dept., Dt 13-10-2003.
2. G.O.Ms No.88, Energy (RES) Dept., Dt 15-7-2004.
3. Minutes of the State Investment Promotion Board, 49th Meeting held on 4-10-2008.
4. Minutes of meeting Dt.21-12-2012 of the Committee Constituted vide G.O.Rt.No.561, Industries and Commerce (IP) Department, Dt.16-8-2012.

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ORDER

The Government in the G.Os 1st and 2nd read above have levied duty w.e.f 17-7-2003 at the rate of 25 paise per unit on the Energy generated and used for own purpose by the consumers who have captive generating sets of aggregate capacity of 1000 KVA and above.

2. The State Investment Promotion Board in its 49th Meeting held on 4-10-2008 has decided to exempt, new Industries which also set up captive power plants and starts commercial production during the IIPP 2005-10 policy period, from payment of electricity duty for a period of 5 years from the date of commercial production of the Industry subject to the following conditions.

- The power so produced should be utilized fully for own consumption and should not be sold to grid.
- These Industries will not be eligible for power reimbursement under IIPP 2005-10 or any other policy.

3. In the reference 4th read above, the Committee which was constituted to examine the issue of Electricity Duty on captive power generation for self consumption, has recommended for exemption from payment of Electricity duty on captive power generation for self consumption.

4. Some of the captive generating companies have filed writ petitions in the Hon'ble High Court of Andhra Pradesh challenging the imposition of the Electricity Duty on the captive consumption.

5. Various Industrial organizations are constantly requesting the Government for withdrawing the levy of Electricity Duty at the rate of 25 paise per unit.

6. In view of the present situation of power shortage, the Industries are permitted only 60% of their demand which is resulting in loss of production and industries are forced to declare some days as power holidays in a week. Moreover, captive consumption is invariably high cost consumption and is normally used at the time of shortage by the HT consumers and Industries.

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7. The Government after careful consideration of the matter have decided to grant exemption from payment of Electricity Duty to the Captive Power Generating Units in respect of the power generated and consumed by them, subject to the conditions that the electricity generated shall be utilized fully by them only and subject to the result of the batch of W.Ps pending on the subject before the Hon'ble High Court of Andhra Pradesh.
8. This order issues with the concurrence of the Finance Department vide their No. 856/PFS/2013, dt. 14-02-2013.
9. This order is also available on the internet and can be accessed at the address [http:// goir.ap.gov.in/](http://goir.ap.gov.in/)
10. Accordingly, the following notification will be published in an extraordinary issue of the Andhra Pradesh Gazette Dt.24-05-2013

NOTIFICATION

In exercise of the powers conferred by sub-section (3) of section 3B of the Andhra Pradesh Electricity Duty Act, 1939 (Act No. V of 1939), the Government of Andhra Pradesh hereby exempt from payment of electricity duty payable under sub- section (1) of section 3B of the said Act, to the captive power generating units in the State with immediate effect in respect of the Energy generated and consumed by them, subject to the condition that the electricity generated shall be utilized fully by them.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MRUTUNJAY SAHOO
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner of Printing Stationery & Store Purchase, A.P. Hyderabad for publication and supply of 50 copies

The Chief Electrical Inspector to Govt. A.P., Hyderabad .

The Commissioner, Industries Department.

The C & M.D AP TRANSCO/AP GENCO., Hyderabad.

The C & M.D APCPDCL/APEPDCL/APNPDCL/APSPDCL.

The All District Collectors.

The Secy., A.P. Electricity Regulatory Commission, Hyderabad.

Copy to:

P.S to Principal Secretary to Hon'ble C.M.

The Law (E) Department/The Energy (Power.II, III) Department

The Industries & Commerce (IP) Department,

The Finance (PF1) Department.

P.S to Principal Secretary to Energy Department

Sc/sf. (C.No.6779/RES-A1/2008) &

Copy to the File C.No.1193/RES/2004.

//FORWARDED BY :ORDER//

SECTION OFFICER